Supplemental Training Materials

HELPFUL TERMS AND CONCEPTS FOR FINANCIAL ANALYSIS

Fiscal Year (FY) – The year a transaction was physically processed (recorded) in the accounting system and general ledger. This runs from October 1st to September 30th. It always coincides with the date a transaction is processed but may or may not match the BFY of the accounting code.

Budget Fiscal Year (BFY) – The year the funding was appropriated to APHIS. It runs from October 1st to September 30th. It may or may not coincide with the fiscal year on a single transaction.

Annual Appropriation – Congress appropriates funding with time limits in which we can obligate the funds. In Annual funds the time limit is from October 1st to midnight, September 30th of each fiscal year. Whatever is not obligated is returned to Treasury after the 5 year adjustment period is completed and the appropriation is cancelled. In APHIS these are funds 52, 57, 58 and 59.

Multi-Year Appropriation – Congress appropriates funding with a multiple year (not unlimited years) limitation for entering obligations; for example the beginning BFY 2001 and ending BFY 2004. Each year must maintain its funding integrity. The un-obligated balance will be carried over until the last year. Then any un-obligated balance will be returned to Treasury after the 5 year adjustment period is completed and the appropriation is cancelled. APHIS does not currently have this appropriation type but FFIS has the BFY field as a two position field because of this type of funding. APHIS uses the first position only. In FY 2002, APHIS had appropriation (Fund) code 20 which was valid for FY 2001 and FY 2002 only.

No Year Appropriation – Congress appropriates these funds allowing us to carry over the un-obligated balance until it is expended without further approval or time limits. Nothing is ever returned to Treasury. Each year must maintain its funding integrity. There is a 5 year adjustment period and the appropriation budget fiscal year is closed but the carry over is always moving and being spent from the subsequent years. In APHIS FY 2003, these are designated by appropriation (Fund) codes 11, 12, 15, 16, 17, 18, 25, 60, 70 - 79, 83 and 85.

Carryover – This only occurs in no year and multi-year appropriations. The un-obligated balance on September 30th of any fiscal year is carried over to the next fiscal year. In APHIS, it is spent using the new budget fiscal year identifier. For example, Fund 11 was allocated $100,000 in FY 2002. At year end, there was $2,000 un-obligated. This amount is automatically carried over into FY 2003 and obligated with a BFY 03 accounting code.

Adjustments : After a fiscal year expires on September 30th, we have five years to enter adjustments to the existing obligations to get our books as accurate as possible. The adjustments process differently depending on the type of appropriation account. *Remember- every year must maintain its fiscal year allocation identity even in no year accounts.*

1) Prior Year Recoveries – In no year accounts, adjustments that ***decrease*** a prior year, no year fund obligation amount invoke prior year recoveries into the current year. For example, in BFY 2000 and obligation was booked for $100,000. Then in FY 2002, the final invoice was paid for a total of $95,000. The remaining $5,000 is de-obligated and invokes a prior year recovery into the current fiscal year 2002.

2) Reduced Carryover - In no year accounts, adjustments that ***increase*** a prior year, no year fund obligation amount will reduce the amount already carried forward into the current year.

For example, in BFY 2000 and obligation was booked for $30,000. Then in FY 2002, the final invoice was paid for a total of $35,000. The additional $5,000 (which was originally un-obligated and carried over) will be covered by reducing the carryover amount and bringing it back to BFY 2000. *If there isn't enough carry over to bring back, current fiscal year funds would be utilized.*

3) Upward Spending Adjustments – Refers to annual appropriations. After a budget fiscal year expires on September 30th, we have five years to enter adjustments to the existing obligations to get our books as accurate as possible. In annual accounts (Fund 52, 57, 58 and 59), adjustments that ***increase*** the original obligation amount are considered an upward spending adjustment. For example, in BFY 2000 and obligation was booked for $100,000. Then in FY 2002, the final invoice was paid for a total of $105,000. The increased amount of $5,000 is charged to FY 2000 if there are funds available at the Agency level. If not, the $5,000 would be charged to the appropriate current year funding.

4) Downward Spending Adjustments - After a budget fiscal year expires on September 30th, we have five years to enter adjustments to the existing obligations to get our books as accurate as possible. In annual accounts (Fund 52, 57, 58 and 59), adjustments that ***decrease*** the original obligation amount are considered a downward spending adjustment. For example, in BFY 2000 and obligation was booked for $100,000. Then in FY 2002, the final invoice was paid for a total of $75,000. The decreased amount of $25,000 is de-obligated and remains un-obligated in BFY 2000. No new obligations can be created for these de-obligated annual funds.

Obligations – reservation of funds to pay a cost the Government has agreed to pay.

Un-liquidated Obligation – only part of an obligation has been paid. The remaining "unpaid" amount is considered un-liquidated.

Expended Authority – Refers to authority that has been used to purchase goods or services. This can be paid or unpaid. If an invoice or the good/services have been received but not yet paid, this is unpaid.

Disbursement – The check has been issued by Treasury.

FY 2001 Conversion Strategy from CAS to FFIS – The strategy was to bring over from the Central Accounting System (CAS) only un-liquidated obligations. If an obligation or part of an obligation was disbursed it was not brought into FFIS. Therefore to conduct prior year analysis on expenditures, you must take your disbursed amount from CAS and net it with the activity that has occurred in FFIS.

Invalid Accounting or Program Code
The accounting or program code on the document trying to process in FFIS is not valid on the FFIS Program code table for the Fiscal Year indicated. Do not correct invalid payroll with an accounting adjustment. Instead contact Minneapolis payments team for assistance.

Incorrect Accounting or Program Code
The accounting or program code on the document processing in FFIS is valid in FFIS and will process. But it is not the correct code the program wanted to utilize for the transaction. Corrections should be made to the original feeder if possible and if not, then with a referencing B2 accounting adjustment in FFIS.